

RESOLUTION 2004-24

A RESOLUTION CONCERNING FINANCING BY PINNACLE ENTERTAINMENT, INC.

The Indiana Gaming Commission ("Commission") adopts the following Resolution pursuant to authority granted to it under I.C. 4-33 and pursuant to 68 IAC 1-2-6.

The following factors have been considered by the Commission:

1. Pursuant to I.C. § 4-33-4-21, the Commission must review proposed debt transactions to ensure that the Riverboat Owner's License is not leased, hypothecated, or money is not borrowed or loaned against the Riverboat Owner's License.
2. Pinnacle Entertainment, Inc. is the parent corporation of Belterra Resort (Indiana), LLC, the entity that holds the riverboat owner's license to operate a riverboat gaming facility located in Belterra, Indiana.
3. By letter dated February 12, 2004, Pinnacle Entertainment, Inc. ("Pinnacle") requested a waiver by the Executive Director under 68 IAC 5-3-6 of the financing approval requirements set forth in 68 IAC 5-3 seeking approval to issue up to \$375 million in senior subordinated notes at a fixed interest rate of no greater than 9%.
4. The Executive Director granted the request for waiver on February 20, 2004, after communicating with and receiving approval from Commission Chair Donald R. Vowels and Commission Member Dale Gettelfinger.
5. At this time Pinnacle requests Commission approval to issue up to \$375 million in senior subordinated notes at a fixed interest rate of no greater than 9%.
6. Caesars also requests a waiver of 68 IAC 5-3-2(b)(3), the two meeting rule.

NOW, THEREFORE, BE IT RESOLVED BY THE INDIANA GAMING COMMISSION, THAT THE FOLLOWING RESOLUTION IS ADOPTED:

SECTION 1. SCOPE.

This Resolution applies to Pinnacle Entertainment, Inc.

SECTION 2. DEFINITIONS.

The definitions set forth in I.C. § 4-33-2 and 68 IAC apply to this Resolution.

SECTION 3. ACTION ON REQUEST FOR APPROVAL TO ISSUE UP TO \$375 MILLION IN SENIOR SUBORDINATED NOTES AT A FIXED INTEREST RATE OF NO MORE THAN 9%.

The request for a waiver of 68 IAC 5-3-2(b)(3), the two meeting rule is hereby:

APPROVED

APPROVED OR DISAPPROVED

and the request for approval to issue up to \$375 million in senior subordinated notes at a fixed interest rate of no greater than 9% is hereby:

APPROVED

APPROVED OR DISAPPROVED

subject to a review and approval of the final draft and associated documents by the Commission staff.

Adoption of this resolution and the approval of the debt transaction does not in any way constitute a waiver of the Commission's authority and ability to approve or disapprove any future changes in the ownership of the Riverboat Owner's License or assets incident thereto which may occur in the event of a default.

SECTION 4. EFFECTIVE DATE.

This resolution is effective immediately.

ADOPTED THIS THE 30th DAY OF APRIL, 2004:

THE INDIANA GAMING COMMISSION:

Donald R. Vowels (FACSIMILE)
Donald Vowels, Chair

ATTEST:

Thomas Milcarek (FACSIMILE)
Thomas Milcarek, Secretary